## DEPARTMENT OF LABOR

Employment and Training Administration

[TA-W-85,013]

TRW Integrated Chassis Systems, LLC
North American Braking Division
A Subsidiary of TRW Automotive
Including On-Site Leased Workers From
Adecco and DM Burr
Saginaw, Michigan

Negative Determinations Regarding Eligibility To Apply for Worker Adjustment Assistance And Alternative Trade Adjustment Assistance

In accordance with Section 223 of the Trade Act of 1974, as amended ("Act"), 19 U.S.C. 2273, the Department of Labor herein presents the results of an investigation regarding certification of eligibility to apply for worker adjustment assistance.

Workers of a firm may be eligible for worker adjustment assistance if they satisfy the criteria of subsection (a) and (b) of Section 222 of the Act, 19 U.S.C. 2272(a) and (b). For the Department of Labor to issue a certification for workers under Section 222(a) of the Act, 19 U.S.C. 2272(a), the following three criteria must be met:

- (1) The first criterion (set forth in Section 222(a)(1) of the Act, 19 U.S.C. 2272(a)(1)) requires that a significant number or proportion of the workers in such workers' firm, or an appropriate subdivision of the firm, have become totally or partially separated, or are threatened to become totally or partially separated
- (2) The second criterion (set forth in Section 222(a)(2) of the Act, 19 U.S.C. 2272(a)(2)) may be satisfied in one of two ways:
  - (A) Increased Imports Path:

- (i) sales or production, or both, at the workers' firm must have decreased absolutely, AND
- (ii) imports of articles like or directly competitive with articles produced by such firm or subdivision have increased; and
- (iii) the increase described in clause (ii) contributed importantly to such workers' separation or threat of separation and to the decline in the sales or production of such firm or subdivision.

## (B) Shift in Production Path:

(i) there has been a shift in production by such workers' firm or subdivision to a foreign country of articles like or directly competitive with articles which are produced by such firm or subdivision; and (ii)(I) the country to which the workers' firm has shifted production of the articles is a party to a

free trade agreement with the United States;

- (II) the country to which the workers' firm has shifted production of the articles is a beneficiary country under the Andean Trade Preference Act, African Growth and Opportunity Act, or the Caribbean Basin Economic Recovery Act; or
- (III) there has been or is likely to be an increase in imports of articles that are like or directly competitive with articles which are or were produced by such firm or subdivision.

For the Department to issue a secondary worker certification under Section 222(b) of the Act, 19 U.S.C. § 2272(b), to workers of a Supplier or a Downstream Producer, the following criteria must be met:

- (1) a significant number or proportion of the workers in the workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated;
- (2) the workers' firm is a Supplier or Downstream Producer to a firm that employed a group of workers who received a certification of eligibility under Section 222(a) of the Act, 19 U.S.C. 2272(a), and such supply

or production is related to the article that was the basis for such certification; and

- (3) either
- (A) the workers' firm is a supplier and the component parts it supplied to the firm described in paragraph(2) accounted for at least 20 percent of the production or sales of the workers' firm; or
- (B) a loss of business by the workers' firm with the firm described in paragraph (2) contributed importantly to the workers' separation or threat of separation.

Section 222(c) of the Act, 19 U.S.C. 2272(c), defines the terms "Supplier" and "Downstream Producer."

The investigation was initiated in response to a petition filed on January 13, 2014 by a company official on behalf of workers of TRW Integrated Chassis Systems, LLC, North American Braking Division, a subsidiary of TRW Automotive, Saginaw, Michigan (TRW Integrated Chassis Systems). The workers' firm is engaged in activities related to the production of rotor and knuckle components and brake corners. The workers are not separately identifiable by article produced. The subject worker group includes on-site leased workers from Adecco and DM Burr.

Workers of the subject firm are eligible to apply for Trade Adjustment Assistance (TAA) under petition TA-W-71,662, which expired on September 30, 2011.

The petition states "At this time our customer . . . has decided to source our product to other suppliers".

During the course of the investigation, information was collected from the workers' firm and its customers.

With respect to Section 222(a)(2)(B) of the Act, the investigation revealed that the subject firm did not shift production of rotor and knuckle components and brake corners to a foreign country.

With respect to Section 222(a)(2)(A)(ii) of the Act, the investigation revealed subject firm, customer, and aggregate U.S. imports of articles like or directly competitive with the rotor and knuckle components and brake corners produced by TRW Integrated Chassis Systems have not increased during the relevant period.

With respect to Section 222(b)(2) of the Act, the investigation revealed that TRW Integrated Chassis Systems is not a Supplier to a firm that employed a group of workers who received a certification of eligibility under Section 222(a) of the Act, 19 U.S.C. 2272(a).

With respect to Section 222(b)(2) of the Act, the investigation revealed that TRW Integrated Chassis Systems that does not act as a Downstream Producer to a firm that employed a group of workers who received a certification of eligibility under Section 222(a) of the Act, 19 U.S.C. 2272(a), based on an increase in imports from, or a shift in production to, Canada or Mexico.

In order for the Department to issue a certification of eligibility to apply for alternative trade adjustment assistance

(ATAA), the worker group must be certified eligible to apply for trade adjustment assistance. Since the workers are denied eligibility to apply for TAA, the workers cannot be certified eligible for ATAA.

## Conclusion

careful review of the facts obtained the investigation, I determine that all workers of TRW Integrated Systems, LLC, North American Braking Division, subsidiary of TRW Automotive, including on-site leased workers Burr, from Adecco and DMSaginaw, Michigan, are denied eligibility to apply for adjustment assistance under Section 223 of the Trade Act of 1974, as amended, and are also denied eligibility to apply for alternative trade adjustment assistance under Section 246 of the Trade Act of 1974, amended.

Signed in Washington, D.C. this 26th day of February, 2014.

DEL MIN AMY CHEN, Certifying Officer, Office of Trade Adjustment Assistance.

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